
HOUSE BILL No. 1459

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-11-7; IC 27-13-36-12.

Synopsis: Notice of amendments to health provider contracts. Provides that an insurer or health maintenance organization that enters into a contract with a physician or dentist to provide health care services shall provide at least 90 days written notice to the physician or dentist of an amendment to the contract. Allows a physician or dentist to cease to provide health care services under the contract without penalty if the physician or dentist receives the written notice and chooses not to approve the amendment. Specifies that a contrary contractual provision is void.

Effective: July 1, 2001.

Pelath

January 11, 2001, read first time and referred to Committee on Public Health.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1459

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 27-8-11-7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2001]: **Sec. 7. (a) As used in this section, "provider" means a:**

4 **(1) physician who is licensed under IC 25-22.5; or**

5 **(2) dentist who is licensed under IC 25-14.**

6 **(b) As used in this section, "provider contract" means a contract**
7 **entered into by a provider and an insurer to provide health care**
8 **services under a plan, policy, or contract that is issued, delivered,**
9 **or entered into by the insurer.**

10 **(c) An insurer that enters into a provider contract shall provide**
11 **written notice to the physician of any amendment to the provider**
12 **contract not less than ninety (90) days before the proposed effective**
13 **date of the amendment.**

14 **(d) A physician or dentist who receives notice under subsection**
15 **(c) and chooses not to approve the amendment may cease to**
16 **provide health care services under the provider contract on the**
17 **effective date of the amendment without penalty.**



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1 (e) A provider contract provision that is contrary to this section
2 is void.

3 SECTION 2. IC 27-13-36-12 IS ADDED TO THE INDIANA
4 CODE AS A NEW SECTION TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2001]: **Sec. 12. (a) A health maintenance**
6 **organization or limited service health maintenance organization**
7 **that enters into a contract with a participating provider who is**
8 **licensed under:**

9 (1) IC 25-22.5; or

10 (2) IC 25-14;

11 shall provide written notice to the participating provider of any
12 amendment to the contract not less than ninety (90) days before the
13 proposed effective date of the amendment.

14 (b) A participating provider who receives notice under
15 subsection (a) and chooses not to approve the amendment may
16 cease to provide health care services under the contract on the
17 effective date of the amendment without penalty.

18 (c) A contractual provision that is contrary to this section is
19 void.

20 SECTION 3. [EFFECTIVE JULY 1, 2001] (a) IC 27-8-11-7 and
21 IC 27-13-36-12, both as added by this act, apply to a contract with
22 a provider that is entered into, renewed, amended, or delivered
23 after June 30, 2001.

24 (b) This SECTION expires July 1, 2004.

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